

Sec. 154. FUTURE ELIMINATION OF NONCONFORMING REFERENCES. The following sections, as amended by this Act, or as amended by a subsequent Act, are amended as follows:

1. Sections 9H.1, 10B.1, 10C.1, 10D.1, 203.1, and 501A.102, by striking from the sections the word and figure “or 490A.102”.
2. Sections 9H.4, 10.1, 10B.4, 10B.7, 476C.1, 501A.102, 524.1309, and 547.1, by striking from the sections the word and figure “or 490A”.
3. Sections 10.1 and 10.10, by striking from the sections the word and figure “or 490A.305”.
4. Sections 10.1 and 10.10, by striking from the sections the word and figure “or 490A.307”.
5. Sections 421.26 and 422.16, by striking from the sections the words and figures “or sections 490A.601 and 490A.602”.
6. Sections 488.108, 490.401, 504.401, and 504.403, by striking from the sections the words and figures “and for a limited liability company under chapter 490A, section 490A.401, 490A.402, or 490A.1322”.
7. Sections 501A.1101, 501A.1102, and 501A.1103, by striking from the sections the word and figure “or 490A.1207”.
8. Section 524.303, by striking from the section the word and figure “or 490A.124”.
9. Section 524.315, by striking from the section the words and figure “or chapter 490A, the Iowa limited liability company Act”.
10. Section 524.1309, by striking from the section the words and figures “or 490A, subchapter VII”.
11. Section 524.2001, by striking from the section the figure “490A,”.

DIVISION V EFFECTIVE DATES

Sec. 155. EFFECTIVE DATES.

1. Except as provided in subsection 2, this Act takes effect on January 1, 2009.
2. The section of division IV of this Act that provides for the future elimination of nonconforming references takes effect on December 31, 2010.

Approved May 10, 2008

CHAPTER 1163

WATER USE — PERMIT FEES AND FUNDING

H.F. 2672

AN ACT relating to water use permit fees, creating a new water use permit fund, and making appropriations.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 423.3, Code Supplement 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 93. Water use permit fees paid pursuant to section 455B.265.

Sec. 2. Section 455B.265, Code 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 6. The department may charge a fee to a person who has been grant-

ed a permit pursuant to this section or is required to have a permit pursuant to section 455B.268. The commission shall adopt by rule the fee amounts.

a. The amount of a fee shall be based on the department's reasonable cost of reviewing applications, issuing permits, ensuring compliance with the terms of the permits, and resolving water interference complaints. The commission shall calculate the fees to produce total revenues of not more than five hundred thousand dollars for each fiscal year, commencing with the fiscal year beginning July 1, 2009, and ending June 30, 2010.

b. Fees collected pursuant to this subsection shall be credited to the water use permit fund created in section 455B.265A.

c. The commission shall annually review the amount of moneys generated by the fees, the balance in the water use permit fund, and the anticipated expenses for the succeeding fiscal year.

d. Fees paid pursuant to this section shall not be subject to sales or services taxes.

e. The department shall not require an applicant to pay both an annual fee and an application fee when submitting an application for a water use permit.

Sec. 3. NEW SECTION. 455B.265A WATER USE PERMIT FUND — APPROPRIATION.

1. A water use permit fund is created in the state treasury. The fund shall be separate from the general fund of the state and shall be under the control of the department.

2. Moneys credited to the fund from the fees assessed pursuant to section 455B.265, subsection 6, are appropriated to the department and shall be used for all of the following purposes:

a. Reviewing applications for permits under section 455B.265, issuing permits, and providing technical assistance to permit applicants.

b. Ensuring compliance with the terms of the permits.

c. Implementing and enforcing the provisions of sections 455B.261 through 455B.281 pertaining to water allocation, use, diversion, storage, and withdrawal, and completing investigations needed to issue new or modified permits or to resolve water interference complaints.

3. Notwithstanding section 8.33, any unexpended balance in the fund at the end of a fiscal year shall be retained in the fund.

4. Notwithstanding section 12C.7, subsection 2, interest, earnings on investments, or time deposits of the moneys in the fund shall be retained in the fund.

Sec. 4. EMERGENCY RULES. The department of natural resources may adopt emergency rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to rescind any existing water use permit fees to facilitate implementation of this Act, and the rules shall be effective immediately upon filing unless a later date is specified in the rules. Any rules adopted in accordance with this section shall also be published as a notice of intended action as provided in section 17A.4.

Approved May 10, 2008

CHAPTER 1164**INHERITANCE TAXES ON QUALIFIED TUITION PLANS***H.F. 2673*

AN ACT relating to the inheritance tax on any interest in a qualified tuition plan.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 12D.9, Code 2007, is amended by adding the following new subsection:
NEW SUBSECTION. 3. State inheritance tax treatment of interests in Iowa educational savings plans shall be as provided in section 450.4, subsection 10. This subsection shall apply to all Iowa educational savings plans existing on or after July 1, 1998.

Sec. 2. Section 450.4, Code Supplement 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 10. On the value of any interest in a qualified tuition plan, as defined in section 529 of the Internal Revenue Code, to the same extent to which the value is excluded from the decedent's gross estate for federal estate tax purposes. This subsection shall apply to all qualified tuition plans that are in existence on or after July 1, 1998.

Approved May 10, 2008

CHAPTER 1165**WATER WELL DRILLING SITE WASTEWATER DISCHARGE***H.F. 2685*

AN ACT relating to rules for the discharge of wastewater from water well drilling sites and providing for a fee.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. **NEW SECTION.** 455B.198 WASTEWATER DISCHARGE FROM WELL DRILLING SITES — RULES.

1. The commission shall adopt rules to regulate the discharge of wastewater from water well drilling sites. The rules shall incorporate the following considerations:

- a. The size of the well as measured by the flow of water in gallons per minute.
- b. The best management practices to address wastewater discharge.
- c. Requirements for notification to the department prior to the commencement of drilling operations.
- d. Requirements for retention of records for a well.
- e. Reasonable and appropriate limitations on wastewater discharge that take into consideration the need for the well.
- f. Reasonable and appropriate limitations on wastewater discharge that take into consideration the need to conserve soil and protect water quality.

2. The commission shall have the authority in the rules to provide for the issuance of a general permit and to establish a fee sufficient to recover the costs of issuing a general permit, which shall not exceed fifty dollars. The fees shall be remitted to the department and shall be used by the department to administer the permitting requirements of this section.